

TREASURY DEPARTMENT
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Monday, December 7, 1942.
12-5-42

Press Service
No. 34-44

Thirty million United States school children are being asked by the Treasury Department to enlist in a pre-Christmas drive to put idle coins, especially pennies and 5-cent pieces, to work meeting holiday business demands.

Mrs. Nellie Tayloe Ross, Director of the Mint, asked the schools of the nation to undertake the campaign as a "Help Win the War" effort, pointing out that many tons of vital metals may be saved if present coins can be kept circulating, thus reducing the demand for new coinage.

The Treasury hopes this "coin round-up" will avert possible local shortages at the year's business peak, where shifts in population and wartime payrolls might otherwise result in unbalanced distribution of available money stocks.

With the approval of Secretary Morgenthau and of the United States Office of Education, letters are being sent to State, county, and city superintendents of schools, asking them to organize "bring in the coins" programs. Heads of universities, colleges and parochial schools are being asked to join in the effort.

Mrs. Ross emphasized that the children are not being asked to give up their savings, but only to free them for business use. She suggested that the "piggy bank" coin stocks be exchanged for War Stamps and Bonds to get the coins into business channels. They should not be sent to the Mint or anywhere else for melting. Banks have been asked to facilitate the drive by accepting minor coins for exchange for silver or currency, and most of them also are issuing agents for War Bonds and Stamps.

Several recent developments have tended to tighten the coin supply situation. Newly effective increases in Federal taxes on tobacco products and other items have required additional penny change.

The Mints have been kept at capacity for months by such factors as odd cents pricing of merchandise, state sales, amusement and other taxes, increased use of vending machines, and the general increase in payrolls and trade volume due to the war.

There is a bill now pending before Congress which, if passed, will permit coinage of one, three or five cent pieces from such materials as the Treasury and the War Production Board determined upon.

Mint experts are testing various possible substitutes for the critical copper, among them zinc-coated steel which might be used for the one-cent piece. Last year the Mint used 4,600 tons of copper in the making of pennies alone. A billion and a half of these coins were produced, and more than ten billion have been made throughout the years.

Officials cite the record coinage figures as evidence that business needs might be met if outstanding money were made to work harder.

Letters which have poured into the Mint from all sections of the country since the shortage of metals for coinage was publicized convinced Director Ross that large quantities of the minor pieces can be enticed out of sugar bowls, children's banks, and bureau drawers. Hence it was decided to enlist the help of the school children, not only in bringing their own savings out of hiding, but in carrying the appeal home to their parents and friends.

One college professor collected 113,000 pennies in three weeks from students and faculty associates, and put them into circulation.

Children of the College Heights school at Abilene, Texas, with an enrollment of 465, brought in two gallons of pennies, and bought War Stamps with them, \$314 worth.

A Montana woman brought in 35 pounds of pennies, and bought War Stamps.

An Ohio man reported a local establishment had five half-gallon jars of pennies on display. The Mint sent a polite letter to the company named, calling attention to the business needs for coins.

Mint officials believe that a widespread misconception of the numismatic value of the Indian head penny, coinage of which was halted in 1909 when the present Lincoln design was adopted, is one factor causing hoarding of the cent piece. They pointed out that nearly two billion of the Indian head cents were distributed by the Mint, the greater part of which still are outstanding.

Reports from coin dealers show that most Indian heads after they have been in circulation, are worth only face value.